

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2947 - SB 3304

February 26, 2010

SUMMARY OF BILL: Requires all public higher education institutions to implement a policy that grants at least 24 credit hours or equivalent course credits to entering freshmen for the successful completion of the International Baccalaureate Diploma Program (IB). If a student received less than a score of four on an IB test, institutions may award fewer credit hours. Requires institutions to submit their implementation policy to the Tennessee Higher Commission (THEC) and place the policy on their institutional Web site. Requires THEC, the State Board of Education (SBOE), and the Department of Education (DOE) to identify correlations between IB course material and higher education course material and to place this information on THEC's Web site.

Requires the SBOE and DOE to develop and implement state and local incentive programs that rewards schools offering the IB program. DOE shall administer the program. Requires DOE to approve local education agency (LEA) implemented IB programs. Requires the principals of each school implementing an IB program to annually convene a five member team composed of three teachers that shall determine how to use incentive program funds received. Prohibits incentive awards from being used for athletic purposes. Authorizes incentive awards to be funded from state or local funding, donations from private groups, individuals, or associations, or some combination thereof. Creates an account in the State Treasury that shall be administered by DOE into which moneys for incentive awards shall be deposited. Moneys shall be invested by the Treasurer with all earnings going back into the fund. Prohibits moneys remaining in the account at the end of each fiscal year from reverting to the state general fund.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$813,700

Increase Local Expenditures – Not Significant

Assumptions:

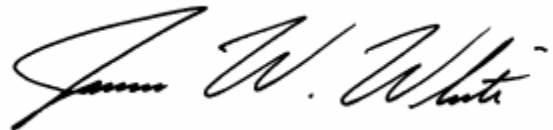
- There will be no significant increase in state expenditures to create the incentive program, give students credit, or place pertinent information on-line.
- Several state universities including Middle Tennessee State University, Tennessee Technological University, UT-Knoxville, Austin Peay University, and the University of Memphis currently give IB graduates course credit.

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- There are currently 15 schools (9 high schools and 6 middle schools) that have an IB program. According to DOE, incentive awards of \$50,000 would cover the costs of participation with funding left over for supplies, equipment, and materials. Currently participation fees are \$9,600 for a high school, \$8,000 for a middle school, and \$7,000 for an elementary school.
- All schools currently participating in the IB program will apply to receive an incentive grant. Grant awards will be approximately \$50,000 per school, a total increase in state expenditures of \$750,000 (\$50,000 x 15).
- The DOE will require two part-time positions, one education consultant and a clerical position. These employees will administer the incentive program and approve any new local IB program. The education consultant will cost approximately \$40,200 in salary (\$30,000) and benefits (\$10,200); the clerical position will cost approximately \$23,450 in salary (\$17,500) and benefits (\$5,950).
- The total increase in state expenditures will be approximately \$813,650 (\$750,000 + \$40,200 + \$23,450).
- Any increase for the Treasury Department to invest and administer this fund can be handled within existing resources without an increased appropriation or reduced reversion.
- Any increase in local expenditures to bring together teams of people to decide how to use incentive awards is estimated to be not significant. Existing personnel will be used and will not be paid overtime for their service.
- New IB program schools will also be approved by the official IB organization in addition to the state DOE.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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